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COMPENSATION STUDY (MOH SALARY & BENEFITS)

JORDAN HUMAN RESOURCES DEVELOPMENT PROJECT
REPORT NO. 4

JULY 2005

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JORDAN MINISTRY OF HEALTH

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I. INTRODUCTION

HEALTH SECTOR IN JORDAN

The strategic location as well as the distinguished relations that Jordan has with neighbouring countries has put the Kingdom in the front lines of being one of the best countries in the region for health sector investment.

The fact that many investors are attracted to open up new hospitals/ health centers in Jordan makes the country flourishing in this demand. To follow up this progress, these hospitals/health centers are in need of the right staff to operate them hence essential staffing becomes inevitable.

BENEFITS OF A COMPENSATION SYSTEM

All leading health sector entities are aware of the importance of recruiting and retaining highly qualified personnel. This is attributable to the widespread trend where competitors tend to attract skilled staff by paying them higher salaries and offering them more benefits and incentives. The Ministry of Health emphasizes that by focusing on its workforce and motivating its staff to participate in achieving its objectives places the ministry in a leading market position.

OBJECTIVES OF A PROPER COMPENSATION SYSTEM

There are several objectives of a proper Compensation System mainly getting equitable compensation for services provided by the management and employees on several levels. A specialized team working on implementing a fair plan has to work diligently on delivering such a plan. The plan has to cover both the new employee and the old long-term one.

A fair plan has to look over several issues especially the rise in the standard of living which is considered the motivational force for successful outputs by the employees.

In the case of MOH, it is very wise that the compensation plan emphasizes on several approaches covering salary base, benefits and broad based incentive policies, practices and programs. Monetary compensation has proved to be one of the best incentives for increasing work performance.

In its strive to recruit professionals and keep them loyal and producing, the MOH is concerned in a fair plan which will work to encourage more and more the recruitment of individuals that will implement the vision of the MOH as well as broaden the base of recruitment with loyal and sincere professional personnel.

Based on this, the professional consulting services of Deloitte & Touche were sought to help and assist the Ministry of Health (MOH) in assessing its compensation plan as part of a larger assignment for Human Resources Assessment conducted by Initiatives Inc. and funded and administered by USAID.

OBJECTIVE OF THE ASSIGNMENT

Compensation is a tool used by management to maintain efficiency. Compensation may be adjusted according to the business needs, goals, and available resources. Therefore, it is important for all entities, especially the leaders to revise and amend their compensation plans periodically and link it with their emerging business needs and strategies.

Based on our proposal, our assessment of the compensation plan of the Ministry of Health is designed to answer the following key questions:

- How is compensation used in the ministry?
- What are the components of a compensation system and how does this relate to what the ministry has?
- What are the different types of compensation that the ministry may need according to best practices in the local markets?

Accordingly, our objective is to assess the compensation plan in achieving the following objectives:

- Recruit and retain qualified employees.
- Increase or maintain morale/satisfaction.
- Reward and encourage peak performance.
- Achieve internal and external equity.
- Reduce turnover and encourage loyalty.

These major objectives are directly correlated to the fairness and competitiveness of compensation in the ministry. Based on that, our assignment will focus on benchmarking the competitiveness with local best practices.

APPROACH AND METHODOLOGY

Our approach for undertaking this assignment was based on benchmarking the ministry's compensation plan with other leading private and non-governmental entities in Jordan.

The approach included the following key phases:

MOBILIZATION

This phase included the following main tasks:

- Selecting the target group from the Private and Non-Governmental Sectors;
- Confirming key personnel from MOH that are directly involved in our project;
- Holding meetings with all stakeholders in the project;
- Developing the questionnaire to be used in the data collection phase; and
- Establishing contact with relevant personnel at each of the target group.

DATA COLLECTION

This phase included the following main tasks:

- Conducting separate meetings with relevant personnel at each entity of the target group in order to fill up the questionnaire;
- Reviewing all questionnaires to ensure that they are complete and ready for analysis; and
- Ensuring that all questionnaires of all participating entities have been filled up and that we are now ready to start the analysis.

ANALYSIS

This phase included the following main tasks:

- Extracting the contents of each questionnaire into a matrix in order to be able to clearly compare among them;
- Selecting the best practice among all participating entities in each of the different benefits that are granted to employees.
- Laying out the data collected from MOH in order to compare between the best practice selected above and the existing practice at MOH.
- Deciding on whether each of the benefits is competitive, weak, extremely competitive or extremely weak based on pre-set criteria.

CONCLUSIONS & RECOMMENDATIONS

This phase included the following main tasks:

- Drafting our conclusions with regard to all the facts of our analysis.
- Developing our recommendations on what should be done to improve the situation in MOH by streamlining the existing practice with the best practice in the market.

Deloitte played the role of bridging the MOH with the industry best practice.

II.ASSESSMENT OF MOH COMPENSATION PLAN

It is critical that dynamic organizations pay attention to their broad-based employee compensation and incentive approaches to ensure they are working in concert with their Human Resources and organizational strategies. Management can ensure employee compensation policies and programs are in good shape by being alert to warning signs such as increased employee turnover, shrinking merit pay budgets, no or little differentiation between high and low performers, general employee dissatisfaction with pay practices, decreased individual accountability, decreased effort and productivity, employees do not understand their incentive/ bonus plans, the organization is not realizing the impact of its pay programs.

Our understanding is that the MOH in Jordan is keen to make sure that Human Resources function is able to get employees to help it

achieve its goals, reward individuals for their contributions, encourage desired behaviors and support desired competitive compensation position.

Stemming from this our assessment of the ministry's compensation plan focused on benchmarking the compensation plan with best practices in the private and non-governmental health sectors in Jordan:

MOH Compensation Plan was assessed based on the following criteria:

- Equitable Pay
- Pay Structure
- Benefits
- Incentives

III. COMPENSATION LIMITS IN JORDAN

LABOR LAW

The Jordanian Labor Law number 8 of 1996 with its various amendments (the last of which being number 11 of 1999) states the rights & duties of both employers as well as employees. It specifies certain limits while at the same time leaving others to the discretion of the employer.

BASIC SALARY

The minimum monthly salary in Jordan as specified in the last Ministers' Council Resolution is JD 85 for all types of jobs. Other than the minimum wage the law does not state any sort of limitation as far as the wages are concerned.

BENEFITS

Working Days and Hours

Friday is the official day-off for all businesses unless that contradicts with the nature of the business. The maximum working hours according to the law is 48 hours per week, the only exception of which being some service sector employees. The working week is 6 days, with Friday being observed as a national holiday.

Annual Leave

Annual leaves are at a minimum of 14 days they should become 21 days after five years of service.

Sick Leave

Employees are also entitled to 14 days per year for sick leave, and this leave can be doubled if the employee was hospitalized.

Maternity Leave

The labor law entitles female employees to a 70-day maternal leave. Moreover, after delivery, the new mother becomes eligible to a maximum

of 1 year unpaid leave to take care of her newborn. On the other hand, the new mother will be also entitled to a leave with full pay not exceeding an hour a day to breast-feed her new born in the first year following the child's birth.

Educational Leave

As for employees seeking further education they are also entitled to a 14-day leave and the same goes for those seeking further training.

Pilgrimage/Hajj Leave

The law also grants a 14-day leave with full pay to employees wishing to go to pilgrimage (Hajj) provided that employee spent 5 years of service with the same employer. This benefit can be only used once during the employee's entire service period with his / her employer.

Spouse Companionship Leave

Married employees are entitled to an unpaid leave not exceeding 2 years if one of them moves his/her workplace to another province or another country.

Overtime

If an employee works extra hours on a normal working day, he/ she is entitled to a pay of 125% the normal hourly rate. On the other hand, if s/he works extra hours in religious holiday or a weekend, the employee will be entitled to a pay of 150% of the normal.

CIVIL SERVICE SYSTEM

All Government bodies in Jordan operate under the Civil Service System. Following is a brief summary of the system's key elements.

BASIC SALARY

The minimum basic salary is JD 73 for all types of jobs. Other than the minimum wage the law does not state any sort of limitation as far as the wages are concerned.

BENEFITS

Working Days and Hours

Friday and Saturday are official days-off for all government offices unless that contradicts with the nature of the service offered by that specific office. In that case working hours can be re-scheduled through a decision made by the prospective minister provided that employees do not exceed the set number of hours. In cases where the employees exceed the set number of hours; they are compensated with overtime pay. The set working hours according to the system is 35 hours per week.

Annual Leave

Annual leaves range between 20 and 30 days depending on grade.

Sick Leave

Employees are also entitled to 7 days per year for sick leave, and this leave can be doubled if the employee was hospitalized.

Maternity Leave

The system entitles female employees to a 90-day maternal leave. Moreover, after delivery, the new mother becomes eligible to a maximum of 1 year unpaid leave to take care of her newborn. On the other hand, the new mother will be also entitled to a leave with full pay not exceeding an hour a day to breast-feed her new born in the first year following the child's birth.

Pilgrimage/Hajj Leave

The system also grants a 21-day leave with full pay to employees wishing to go to pilgrimage (Hajj) provided that employee spent 1 year of service.

Overtime

If an employee works extra hours on a normal working day, he/ she is entitled to a pay of 125% the normal hourly rate. On the other hand, if he works extra hours in religious holiday or a weekend, the employee will be entitled to a pay of 150% of the normal.

Moreover, the system entitles staff members to the following benefits:

- Annual Salary Increments.
- Personal Allowance
- Family Allowance
- Overtime Pay
- Category Raise
- Grade Raise
- Hardship Allowance (Non-Physicians)
- Special Job Allowance (Physicians)
- Special Personal Raise
- Transportation Allowance

Eligibility for such benefits is determined through pre-set guidelines in the system itself and in specific rules and regulations in MOH.

IV. BENCHMARKING OF MOH COMPENSATION PLAN

BENCHMARKING ENTITIES

Our survey has targeted the leading hospitals/clinics in the private and non governmental health sectors in Jordan.

We approached our target group based on support documents granted to us by MOH detailing the nature and objective of our mission. Many entities chose to participate in our survey and therefore provided us by all requested information that were necessary for our model.

The following table shows a list of participating entities.

Survey Coverage and Sampling

Targeted Entities
Al Khaldi Medical Center
Ibn Al Haitham Hospital
Arab Heart Center
King Hussein Cancer Center
Al Esra Hospital
Jordan University Hospital
United Nations Works & Relief Agency (UNRWA)
Jordan Red Crescent
Jordanian Association for Family Planning & Protection (JAFPP)
American Medical Clinics

SURVEY METHODOLOGY

The survey was conducted through organized interviews with the relevant persons in the targeted hospitals/clinics. The purpose of the interview is to fill in a questionnaire that covers all components of the compensation plan. Deloitte & Touche team organized these interviews.

COMPENSATION PLAN COMPETITIVENESS

To measure the competitiveness of MOH's compensation plan in the local market, we benchmarked MOH with the best practice on two levels:

- Benefits and Incentives
- Salaries

DETAILED LEVEL

A. Benefits and Incentives

On the first level we have identified the best practice in all benefits available in the market and judged MOH's practice against that best practice by using four levels of competitiveness as follows:

- Extremely Competitive: If MOH practice is better than the best practice.
- Competitive: If MOH practice is equivalent to the best practice.
- Weak: If MOH practice is less than the best practice.
- Extremely Weak: If MOH practice does not have this benefit at all.

The table on the next page summarizes the findings of benchmarking MOH's compensation plan to the best practice among surveyed entities.

Before going through the table, it is wise to stress on a very important fact. Our best practice comes from different leading entities in the Jordanian market. None of the leading entities have them all; rather they have best practice in some benefits and average practice in other benefits and they lack some others.

Benchmarking MOH's Compensation Plan with Best Practices

Compensation Component	Best Practice	MOH's Practice	Findings
1. Salary increments	Best practices offer a minimum salary increment of JD 5 on basic salary and a maximum being JD 250 on basic salary. Exceptional increments are paid based on exceptional performance. Salaries are paid on monthly basis while adjustments are made on annual basis.	MOH pays a minimum salary increment of JD 1.5 on basic salary and a maximum increment of JD 8 on basic salary. Exceptional Increments are given based on exceptional performance and educational or professional achievements. Salaries are paid on monthly basis while adjustments are made on periodic basis.	Weak
2. Transportation allowance	Best practices provide their General Managers with a car owned by the entity for his own professional and personal use. Car allowance is given to all nursing staff as well as all persons whose job nature requires the use of their own vehicle for business purposes.	MOH pays transportation allowance to its top management personnel only.	Weak
3. Technical/ job allowance	Best practices provide technical/job allowance based on the job nature. It averages around 30% of the basic salary.	MOH abides by the Civil Service System in this respect and offers this allowance to some of its employees according to their job nature.	Extremely Competitive
4. Hardship allowance	Best practices provide hardship allowance to people who work in remote areas or their job entails risks/difficulties to compensate them for the extra harshness in their jobs. It averages around 10% of the basic salary.	MOH abides by the Civil Service System in this respect and offers this allowance to some of its employees according to their job nature and job location.	Competitive
5. Family/ children allowance	Best practices provide family/children allowances of JD 9 for a dependant spouse and JD 4 for each eligible dependent.	MOH pays a family/ children allowance to its employees that covers a maximum of 3 children up to 18 years of age.	Competitive
6. Overtime	Best practices pay overtime according to the prevailing labor law in	MOH pays overtime according to the Civil Service System. This means that regular	Competitive

Compensation Component	Best Practice	MOH's Practice	Findings
	Jordan.	employees are compensated by paying them 60% of their basic salary as a lump-sum amount to compensate for extra time worked during that month while doctors are paid 35% of their basic monthly salary less personal allowance.	
7. Provident fund	Best practices provide their employees with the option to participate in a provident fund system The employee pays 7.5% of his/ her basic salary and the entity pays 15% of the participating employee's basic salary.	MOH does not have this benefit.	Extremely Weak
8. Housing fund	Best Practices give employees the option to participate in an established Housing Fund.	MOH does not have a housing fund.	Extremely Weak
9. End of service award	Best Practices provide their employees with an end of service award. The end of service award is granted is calculated as 1 month's basic salary for every year spent in service.	MOH pays end of service according to the Jordanian Retirement Law. The law states that employees can receive up to 6 months salary as long as it does not exceed JD 3,000.	Weak
10. Salary advances	Best Practices provide their employees with the eligibility to obtain advances on their salaries' if the need arises.	MOH does not provide this benefit.	Extremely Weak
11. Employee loans	Best Practices provide their employees with the eligibility to obtain interest-free employee loans if the need arises.	MOH does not provide this benefit.	Extremely Weak
12. Educational scholarships	Best practices grant educational scholarships for its staff that pursue their education for graduate and post graduate levels.	MOH pays for the education of its employees only if their field of study is needed by the ministry.	Extremely Competitive
13. Schooling benefits	Best practices grant their employees schooling benefits to cover the costs of sending their children to	MOH does not provide this benefit.	Extremely Weak

Compensation Component	Best Practice	MOH's Practice	Findings
	school.		
14. Health, disability & life insurance	Best practices provide their employees together with their families with comprehensive medical and life insurance.	MOH covers its employees and their direct families by health and disability insurance. Employees can obtain medical treatment through public hospitals that provide basic health care.	Weak
15. Local travel	Best practices cover all costs incurred during business local travel.	MOH covers all costs incurred by its employees during business trips on actual basis.	Extremely Competitive
16. Outside country travel arrangements	Best practices cover all costs incurred during business international travel. They also provide per diems to cover personal and out-of-pocket expenses.	MOH covers all costs incurred by its employees during business trips on actual basis.	Extremely Competitive
17. Annual leave	Best Practices provide their employees with 14-30 days of paid annual leave depending on their prospective grades and ranks.	MOH provides its employees in junior positions with 21 days of paid annual leave and all other employees in senior and managerial positions with 30 days paid leave.	Extremely Competitive
18. Sick	Best practices provide their employees with paid sick leave as per the prevailing labor law in Jordan.	MOH provides their employees with paid sick leave on case by case basis and depending on their medical condition.	Extremely Competitive
19. Maternity	Best practices provide their female employees with paid maternity leave as per the prevailing labor law in Jordan.	MOH provides its female employees with paid maternity leave of 3 months.	Extremely Competitive
20. Educational	Best practices provide their employees with unpaid educational leave as per the prevailing labor law in Jordan.	MOH provides their employees with educational leave on case by case basis and according to degree pursued.	Extremely Competitive
21. Pilgrimage/Hajj	Best practices provide their employees with paid pilgrimage leave as per the prevailing labor law in Jordan.	MOH provide its employees with paid pilgrimage leave of 21 days. This leave is only given once during the service period of each employee.	Extremely Competitive
22. Compassionate	Best Practices provide their employees with 1-3 days paid leave in case of	MOH does not have this benefit.	Extremely Weak

Compensation Component	Best Practice	MOH's Practice	Findings
	the death of an immediate family member depending on the degree of the relationship.		
23. Marriage	Best Practices provide their employees with one time paid marriage leave	MOH does not have this benefit.	Extremely Weak
24. Leave without pay	Best Practices give their employees a maximum leave of 1 year in paid leave.	MOH grants unpaid leave to its employees on case by case basis.	Extremely Competitive
25. Thank you letters	Best Practices give their employees "Thank You" letters as a sign of appreciation.	MOH give their employees "Thank You" letters as a sign of appreciation.	Competitive
26. Symbolic gifts	Best Practices give their employees "Symbolic gifts" as a sign of appreciation.	MOH does not have this benefit.	Extremely Weak
27. Parking facilities	Best Practices provides parking facilities for all its employees.	MOH provides all its employees with parking facilities on first-come-first-serve basis.	Competitive
28. Incentives	Best Practices give their employees various types of incentives as means of increasing their productivity.	MOH has an Incentive Scheme that is competitive; however, it is not linked to performance.	Competitive

B. Salaries

To analyze the competitiveness of MOH's salaries, we have selected a sample of 8 positions to be compared with the prevailing market rates. The following table shows the salary levels for the selected positions in MOH.

These salaries were benchmarked with prevailing market rates as reflected in the surveyed entities. The following table shows the finding of the prevailing salaries in the market as a result of the survey.

Salaries of a Selected Sample of Positions in the Ministry of Health

Position	Average Years of Experience	Monthly Take-home Salary (JD) (Basic + Monthly Allowances)			
		Minimum	Average	Maximum	Range*
Specialist: Gynecology/ Obstetrics	15	907	980	1019	112
Specialist: Family Medicine	15	850	854	1105	255
General Practice	7	355	560	700	345
Dentist	10	336	510	712	376
Registered Nurse/ BSN	11	298	350	440	142
Associate Nurse	2	203	225	250	47
Midwife	15	265	270	330	65
X Ray Technician	17	215	230	335	120

* Range is the difference between the minimum and maximum salaries.

These salaries were benchmarked with prevailing market rates as reflected in the surveyed entities. The following table shows the finding of the prevailing salaries in the market as a result of the survey.

Before going through the next table (Salary Survey Analysis), please note the following:

- Cases count represents the number of entities that provided us with information regarding that specific Job Title or the number of companies that provided us with figures for the Minimum, Average or Maximum Salaries.
- Average Value represents the average years of experience/ salaries for all the responses to that specific Job Title.

Salary Survey Analysis (Private/ NGO Sector)

Position	Average Years of Experience		Monthly Take-home Salary (JD) (Basic + Monthly Allowances)						
			Minimum		Average		Maximum		Range
	Cases Count	Avg. Value	Cases Count	Avg. Value	Cases Count	Avg. Value	Cases Count	Avg. Value	
Specialist: Gynecology/ Obstetrics	5	7	5	1,750	5	2,520	3	3,400	1,650
Specialist: Family Medicine	4	7	3	940	4	1500	1	2,500	1,560

Position	Average Years of Experience		Monthly Take-home Salary (JD)						
			(Basic + Monthly Allowances)						
			Minimum		Average		Maximum		Range
	Cases Count	Avg. Value	Cases Count	Avg. Value	Cases Count	Avg. Value	Cases Count	Avg. Value	
General Practice	4	2	4	490	3	800	3	1000	510
Dentist	3	4	2	600	3	740	2	1,200	600
Registered Nurse	8	6	10	267	5	315	7	600	333
Associate Nurse	7	8	7	155	4	225	5	495	340
Midwife	5	5	3	250	3	275	3	460	210
X- Ray Technician	8	5	7	280	6	390	6	675	395

The following table shows the difference between MOH's salaries and the market levels for selected positions. The positive value refers to the fact that MOH's salary level is higher the prevailing market rates and the negative value indicates lower salary levels as benchmarked with market rates.

MOH Salaries as Benchmarked to the Market Levels

Position	Monthly Take-Home Salary (JD)		
	(Basic + Monthly Allowances)		
	Minimum	Average	Maximum
Specialist: Gynecology/ Obstetrics	-843	-1,540	-2,381
Specialist: Family Medicine	-90	-646	-1,395
General Practice	-135	-240	-300
Dentist	-264	-230	-28
Registered Nurse	31	35	-160
Associate Nurse	48	0	-245
Midwife	15	-5	-130
X- Ray Technician	-65	-160	-340

The following table shows the different salaries paid for the same positions in different entities.

Benchmarking Salaries of Specific Positions in Different Entities

Positions	MOH	MOE	Private Sector
HR Director	432	469	3,750
Governorate Director	957	N/A	875
Nursing Tutor	500	N/A	1,500

The table in the following page summarizes briefly the results outlined in the tables on pages 20 and 21.

Salary Survey Analysis										
Position	Ministry of Health					Private / NGO Sector				
	Average Years of Experience	Monthly Take-Home Salary (JD) (Basic + Monthly Allowances)				Average Years Of Experience	Monthly Take-Home Salary (JD) (Basic + Monthly Allowances)			
		Minimum	Average	Maximum	Range		Minimum	Average	Maximum	Range
Specialist: Gynecology Obstetrics	15	907	980	1019	112	7	1.750	2.520	3.400	1.650
Specialist: Family Medicine	15	850	854	1105	255	7	940	1500	2.500	1.560
General Practice	7	355	560	700	345	2	490	800	1000	510
Dentist	10	336	510	712	376	4	600	740	1.200	600
Registered Nurse/ BSN	11	298	350	440	142	6	267	315	600	333
Associate Nurse	2	203	225	250	47	8	155	225	495	340
Midwife	15	265	270	330	65	5	250	275	460	210
X Ray Technician	17	215	230	335	120	5	280	390	675	395

The following table summarizes the results of the survey in terms of benefits granted to employees.

Benchmarking Result	Number of Benefits	Applicable Benefits
Extremely Competitive	10 (36%)	<ul style="list-style-type: none"> • Technical / Job Allowance • Educational Scholarships • Local travel • Outside country travel arrangements • Annual leave • Sick leave • Maternity leave • Educational leave • Pilgrimage/Hajj leave • Leave without pay
Competitive	6 (21%)	<ul style="list-style-type: none"> • Hardship allowance • Family/ children allowance • Overtime • Thank you letters • Parking facilities
Weak	4 (14%)	<ul style="list-style-type: none"> • Salary increments • Transportation/ Car allowance • End of service award • Health, disability & life insurance
Extremely Weak	8 (29%)	<ul style="list-style-type: none"> • Provident Fund • Housing fund • Salary advances • Employee loans • Schooling benefits • Compassionate leave • Marriage leave • Symbolic gifts
Total	28 (100%)	

IV. CONCLUSIONS AND RECOMMENDATIONS

The purpose of this section is to highlight the conclusions taken from our survey and at the same time to recommend solutions that are most suitable for MOH to adopt.

Managements' strategies in compensating staff can take one of the following forms:

- High basic salary with competitive benefits and rewarding incentive schemes.
- High basic salary with competitive benefits and modest incentive schemes.
- High basic salary with less competitive benefits and incentive schemes.
- Low basic salary with competitive benefits and rewarding incentive schemes.
- Low basic salary with competitive benefits and modest incentive schemes.
- Low basic salary with less competitive benefits and incentive schemes.

In the following paragraphs, we summarize our conclusions and recommendations for MOH. As per analysis conducted and according to the benchmark, MOH is below the market level in 43% of the benefits offered. In order for MOH to be competitive in the HR area, it will require to undertake the actions mentioned below.

Before going through the list of benefits, it is wise to note that all benefits, including those that were previously rated as extremely competitive or competitive, can somehow be improved in one way or another. Therefore, mentioning a benefit in the section below that has been ranked as extremely competitive or competitive does not create any sort of contradiction.

SALARY INCREMENTS

As per the table of analysis on page 21 of this report, the salaries paid by MOH to its staff members are lower than the market in 80% of

the cases examined. This means that MOH needs to take quick measures as to elevate the salaries paid to its employees. By taking such steps, MOH would be avoiding to lose more of its staff to the private sector in Jordan or elsewhere in the region.

BENEFITS

Benefits are major components of the pay package of all employees. Monetary as well as Non Monetary benefits are equally as important when it comes to evaluating the package an employee is receiving.

MOH grants a series of benefits to all of its employees. The results of our survey revealed that 36% of these benefits are extremely competitive, 21% are competitive, and 14% are weak, while 29% are extremely weak.

In order for MOH to be more competitive in term of benefits, we advise MOH to take the following measures as far as each benefit is concerned.

TRANSPORTATION ALLOWANCE

MOH should provide all of its employees with a transportation/ car allowance. However, the amount of the allowance should differ from each employee to the other. It should be determined according to the grade, position and job nature of the employee.

TECHNICAL/ JOB ALLOWANCE

MOH should provide some of its employees with a technical/ job allowance that is calculated as a percentage of the basic salary. The nature of the job should be very carefully evaluated in order to ensure fairness in granting such an allowance.

HARDSHIP ALLOWANCE

MOH should provide some of its employees with a hardship allowance that is calculated as a percentage of the basic salary. The nature and location of the job should be very carefully

evaluated in order to ensure fairness in granting such an allowance.

FAMILY/ CHILDREN ALLOWANCE

MOH should increase the amount of the current allowance paid.

HOUSING AND FURNITURE ALLOWANCE

MOH should provide some of its employees with a housing and furniture allowance that is granted as a lump sum amount. The intention behind such a benefit is to provide accommodation for employees at high grades; especially those employees who live in distance from their work place.

OVERTIME

Employees who are eligible for this benefit should be very carefully watched to ensure fairness when applying such a policy.

PROVIDENT FUND

MOH can introduce a Provident Fund System to its staff members. Such a system will act as a retention mechanism and will decrease the number of cases that are leaving the service at MOH.

HOUSING FUND

MOH should have a housing fund in which all employees are given the chance to contribute. The rationale behind such a benefit is to give employees the chance to own a house through small/ minor installments that are taken out of their monthly pay checks.

END OF SERVICE AWARD

MOH should have an end of service award that is granted to employees only at the time of leaving the service. This benefit can play a vital role in the retention process for employees opting to find a job outside the ministry. The mechanism of such a benefit should be very carefully selected.

SALARY ADVANCES

MOH should develop a policy for salary advances. Such a policy, when developed, should be only used by those who are urgently in need for cash before paychecks are distributed.

EMPLOYEE LOANS

MOH should develop a policy for employee loans. Such a policy, when developed, should have a clear control mechanism that would prevent it from being abused from the part of the employees.

EDUCATIONAL SCHOLARSHIPS

MOH should improve its current policy regarding educational scholarships through developing a new amended policy that is more open and dedicated towards the development of staff in all fields of study.

SCHOOLING BENEFITS

MOH should provide some of its employees with schooling benefits for their children. The intention behind such a benefit is to provide for the education of employee's children in order to give employees themselves a better notion of job security.

AIRLINE TICKETS FOR EMPLOYEE VACATIONS

MOH could provide its top management personnel with airline tickets once per year for their annual vacations.

HEALTH, DISABILITY & LIFE INSURANCE

MOH should provide all of its employees and their direct family members with comprehensive health insurance. However, the type of insurance provided should depend on the employees prospective grades.

LOCAL TRAVEL

MOH should cover all expenses incurred during local business travel on actual basis upon the

presentation of supportive documents. MOH should also compensate employees who travel within different cities of the Kingdom for the time spent in travel.

OUTSIDE COUNTRY TRAVEL ARRANGEMENTS

MOH should cover all out-of-pocket expenses incurred during international business travel on actual basis upon the presentation of supportive documents. MOH should also compensate employees who travel for the time spent away from home. We recommend that such compensation be given in the form of an expatriation allowance calculated as a set amount for every night spent in a foreign country.

ANNUAL LEAVE

MOH's practice regarding annual leave is extremely competitive.

SICK LEAVE

MOH's practice regarding sick leave is extremely competitive.

MATERNITY LEAVE

MOH's practice regarding maternity leave is extremely competitive.

EDUCATIONAL LEAVE

MOH's practice regarding educational leave is extremely competitive.

PILGRIMAGE/HAJJ LEAVE

MOH's practice regarding pilgrimage/Hajj leave is extremely competitive.

COMPASSIONATE LEAVE

MOH's should grant its employees compassionate leave for the death of direct

family members from the first and second degrees only.

MARRIAGE LEAVE

MOH's should grant its employees marriage leave when they get married. This leave can be taken once only during the entire period of service at MOH.

PATERNITY LEAVE

MOH's should grant its employees paternity leave when their wife's give birth to a child.

LEAVE WITHOUT PAY

MOH's practice regarding leave without pay is extremely competitive.

Moreover, we also recommend that MOH study the possibility of adding the following benefits to the pool of benefits they grant to their employees. We strongly believe that the addition of such benefits would have a positive impact on employees. The suggested benefits are as follows:

- Thank you letters
- Symbolic gifts
- Retreats
- Employee of the month
- Honor certificates
- Special memberships
- Parking facilities
- Day care services
- Cafeteria services